1	State of Arkansas	A Bill	
2	84th General Assembly	A DIII	Act 1215 of 2003
3	Regular Session, 2003		SENATE BILL 763
4			
5	By: Senator Steele		
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8	For An Act To Be Entitled		
9	AN ACT TO ALLOW REDEVELOPMENT OF URBAN AREAS BY		
10	REDUCING THE LENGTH OF TIME FOR AN OWNER OF TAX-		
11	FORFEITED LAND TO REDEEM THE LAND IF THE LAND WAS		
12	SOLD AT A NEGOTIATED SALE; AND FOR OTHER		
13	PURPOSES.		
14		C LCA.	
15		Subtitle	
16		W REDEVELOPMENT OF URBAN AREAS	
17		G THE LENGTH OF TIME FOR AN OW	NER
18		FORFEITED LAND TO REDEEM THE	
19	LAND.		
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21	DD 75 DV 650 DV 650		1. D.W. 1. W. 1. G.
22	BE IT ENACTED BY THE GEN.	ERAL ASSEMBLY OF THE STATE OF A	ARKANSAS:
23	CECHTON 1 A1	0-1- 6 2/ 27 202/1)	
24	SECTION 1. Arkansas Code § 26-37-203(b), regarding contests to the validity of the conveyance to the purchaser of realty at a tax sale, is		
25			at a tax sale, is
26	amended to read as follow		1 (2)
27	(b)(1) Except as provided in subdivision (b)(2) and (3) of this		
28	section, all All actions to contest the validity of the conveyance shall be brought within two (2) years after the date of the conveyance or thereafter		
29		ears after the date of the conv	veyance or thereafter
30 31	be barred.	on to course Course of cotions	hy namaona sufferina a
32	 -	as to causes <u>Causes</u> of actions	• •
33	mental incapacity, minors, or those serving in the United States armed forces		
34	during time of war during the two-year period shall be brought within two (2)		
35	years after the disability is removed, the minor reaches majority, or the person is released from active duty with the armed forces.		
36		ercone chall not be allowed to	

1 of the conveyance after the expiration of two (2) years after the disability 2 is removed or the person reaches majority or the person is released from 3 active duty with the armed forces. 4 (3) An action to challenge the conveyance to a purchaser of a subdivided lot that was sold at a negotiated sale under § 26-37-202(b) shall 5 6 be brought within ninety (90) days after the date of the conveyance or 7 thereafter be barred. 8 9 SECTION 2. Arkansas Code § 26-37-205(b), regarding the distribution of 10 funds from the sale of tax-delinquent land, is amended to read as follows: 11 (b) If no actions are brought within two (2) years after the date of 12 conveyance as provided in the time limits prescribed under this subchapter § 13 $\frac{26-37-202}{}$, the remaining funds, if any, shall be distributed by the 14 Commissioner as follows: 15 (1) To former owners of the tax delinquent land. 16 (A) Such former owners must file an application with the 17 Commissioner requesting the release of any remaining funds. The application shall be provided by the Commissioner of State Lands and shall require proof 18 19 of ownership. In addition, the application may require other information the 20 Commissioner may deem necessary to obtain prior to the release of said funds. 21 (B) In the event of multiple claims of ownership or 22 controversy regarding the release of such funds, it shall be the 23 responsibility of the parties seeking release of the funds to resolve such controversy; 24 The funds shall be held in escrow for five (5) more years, 25 (2) 26 and, at the end of such five-year period, if the funds have not been 27 distributed, the escrow funds shall escheat to the county wherein the 28 property is located. 29 30 SECTION 3. Arkansas Code § 26-37-209 is amended to read as follows: 31 26-37-209. Compensation for improvements. 32 (a)(1) Except as provided in this subdivision (a)(2), no No purchaser 33 of any land or town or city lot, nor any person claiming under him, shall be 34 entitled to any compensation for any improvements which he shall make on the 35 land or town or city lot within two (2) years from and after the sale of the 36 land or lot.

1	(2) No purchaser of a subdivided lot that was sold at a		
2	negotiated sale under § 26-37-202(b) shall be entitled to any compensation		
3	for any improvements that he or she makes to the lot within ninety (90) days		
4	after the date of the sale.		
5	(b)(1) Except as provided in this subdivision (b)(2), for For		
6	improvements made after two (2) years from the date of sale, the purchaser		
7	shall be allowed the full cash value of the improvements, and the allowance		
8	shall be a charge upon the land.		
9	(2) For improvements made after ninety (90) days from the date		
10	of sale to a subdivided lot that was purchased at a negotiated sale under \S		
11	26-37-202(b), the purchaser shall be allowed the full cash value of the		
12	improvements, and the allowance shall be a charge upon the land.		
13			
14	SECTION 4. Except as provided in Arkansas Code § 26-37-204(a) and (b),		
15	the Commissioner of State Lands, as well as the county from which the		
16	property is certified, shall be immune from liability for damages, costs,		
17	fees, or compensation for improvements made to the property arising from the		
18	sale of tax delinquent property even if the sale is found to be invalid or		
19	void as a result of error by the Commissioner of State Lands or the county.		
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21	SECTION 5. This act shall apply to negotiated sales of tax forfeited		
22	property that occur on or after October 1, 2003.		
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25	APPROVED: 4/10/2003		
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